COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE NOTICE OF PURCHASED GAS

ADJUSTMENT FILING OF EAST

KENTUCKY UTILITIES, INC.

CASE NO. 8114-F

ORDER

On August 10, 1981, the Commission issued its Order in Case No. 8114 approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased or a refund is received.

On October 6, 1983, East Kentucky Utilities, Inc., ("East Kentucky") notified the Commission that its wholesale cost of gas would be increased by its supplier, Kentucky West Virginia Gas Company ("Kentucky West"), effective November 1, 1983, and submitted with its notice certain information in compliance with its purchased gas adjustment clause on file with this Commission.

After reviewing the record in this case and being advised, the Commission is of the opinion and finds that:

(1) East Kentucky's notice of October 6, 1983, set out certain revisions in rates which East Kentucky proposed to place into effect, said rates being designed to pass on the wholesale increase in price from its supplier in the amount of \$88,525 or 48 cents per Dth.

- (2) Kentucky West has filed an application for increased rates to become effective November 1, 1983, with the Federal Energy Regulatory Commission.
- (3) East Kentucky's adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 8114 dated August 10, 1981, is fair, just and reasonable and in the public interest and should be effective with gas supplied on and after November 1, 1983, subject to refund. These rates should be subject to refund because Kentucky West's rates are subject to refund.

IT IS THEREFORE ORDERED that the rates in the Appendix to this Order be and they hereby are authorized effective with gas supplied on and after November 1, 1983, subject to refund.

IT IS FURTHER ORDERED that within 30 days of the date of this Order East Kentucky shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 24th day of October, 1983.

PUBLIC SERVICE COMMISSION

Chairman

Vice Chairman

Commissioner

ATTEST:

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 8114-F DATED OCTOBER 24,1983

The following rates and charges are prescribed for the customers served by East Kentucky Utilities, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

RATES: Monthly

First 1 Mcf

\$8.3410 per Mcf

Over 1 Mcf

5.3010 per Mcf

Minimum Bill: \$5.40 for less than 1 Mcf.

The base rate for the future application of the purchased gas adjustment clause of East Kentucky Utilities, Inc., shall be:

Commodity

Kentucky West Virginia Gas Company

\$4.2301/dth

Southeastern Gas Company

0.46/Mcf